



烟台北方安德利果汁股份有限公司

**Yantai North Andre Juice Co., Ltd.\***

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock code : 02218)**

## **Terms of Reference of Remuneration and Review Committee**

Terms of Reference of Remuneration and Review Committee (Passed on the Board of Directors' meeting dated 29 March 2012)

(Revised on the Board of Directors' meeting dated 21 May 2013, 30 August 2017 and 22 September 2025)

**To further establish and improve the appraisal and remuneration management system for directors and senior executives (the "senior executives") of Yantai North Andre Juice Co., Ltd.\* (the "Company"), and to perfect the corporate governance structure, pursuant to the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, the Management Measures for Independent Directors of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange Self-regulatory Guidance for Listed Companies No. 1 - Standard Operations, the Articles of Association of Yantai North Andre Juice Co., Ltd.\* (the "Articles of Association"), and other relevant provisions, the Company hereby establishes the Board Remuneration and Review Committee and formulates these Rules of Procedure.**

### **1. Composition of the Remuneration and Review Committee**

- 1.1. The Remuneration and Review Committee is a special committee set up under the Board of Directors; the members of the Remuneration and Review Committee, nominated by the chairman of the Board, over half of the independent directors or more than 1/3 of all directors and elected by the Board of Directors, shall obtain the consent of over half of all directors; if the proposal concerning the re-election of the members is passed, the new members shall take office immediately after the Board of Directors' meeting;
- 1.2. The Remuneration and Review Committee shall be comprised of three directors, of which the majority shall be independent non-executive directors;
- 1.3. The Remuneration and Review Committee shall have one director, who shall be elected from the members who are independent non-executive directors, to lead the work of the Remuneration and Review Committee and convene the meetings of the Remuneration and Review Committee;
- 1.4. The Remuneration and Review Committee shall have a term of office consistent with that of the directors. After expiration of the term of office, the members may renew the tenure by re-election; During the term of office, if any member doesn't hold the post of director in the Company, he/she will be disqualified for the member of the Remuneration and Review Committee automatically; Vacancies shall be filled by the Committee in accordance with Articles 1.1 to 1.3 above;
- 1.5. The members of the Remuneration and Review Committee may submit the resignation to the Board of Directors before the expiration of the term of office, and the resignation report shall include such necessary information as the reason for resignation and the matters that need the concern of the Board of Directors of the Company;

## **2. The Terms of Reference of the Remuneration and Review Committee**

- 2.1. The Remuneration and Review Committee shall make recommendations to the Board of Directors on the following matters:
- (I) Remuneration of directors and senior executives, overall remuneration policies and frameworks, and the establishment of formal and transparent procedures for developing remuneration policies;
  - (II) Formulation or modification of equity incentive plans or employee stock ownership plans; fulfilment of conditions for grantees to be granted rights or to exercise rights; and review and/or approval of matters related to share schemes as set out in Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
  - (III) Arrangements for directors and senior executives to participate in shareholding plans in subsidiaries intended to be spun-off;
  - (IV) Other matters stipulated by laws, administrative regulations, provisions of the China Securities Regulatory Commission, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association;
- 2.2. To make specific remuneration and welfare of the individual executive directors and senior managers, including non-monetary benefit, pension right and compensation amount (including compensation for loss or termination of duty or appointment) and put forward suggestions about the remuneration of the non-executive directors to the Board of Directors;
- 2.3. To review and approve the remuneration and welfare of the management according to the company policy and target made by the Board of Directors;
- 2.4. To review and approve the compensation for the executive directors and senior managers caused by loss or termination of duty or appointment to ensure such compensation agrees with the contractual provisions; if there is any discrepancy with the contractual provisions, the compensation should be fair and reasonable, which should not be excessive;
- 2.5. To review and approve the compensation arrangement related to certain director who is dismissed or fired due to misconduct to ensure such compensation agrees with the contractual provisions; if there is any discrepancy with the contractual provisions, the corresponding compensation should be fair and reasonable;
- 2.6. To ensure any director or any other person concerned not to participate in the determination of his/her own remuneration;
- 2.7. To give full consideration to such factors as remuneration paid by similar companies, time to be spent by directors and senior managers and their responsibilities as well as the remuneration conditions of other posts in the group when making the remuneration policy and establishing the remuneration standard;
- 2.8. To review and supervise the training and continuous professional development of the directors and senior managers;
- 2.9. Other requirements in respect of the working scope of the Remuneration and Review Committee governed by the listing rules where the shares of the Company are listed as amended from time to time.

### **3. Meetings of the Remuneration and Review Committee**

- 3.1. The Remuneration and Review Committee shall convene at least one meeting every year to discuss and determine relevant items, which shall be informed to all members 7 days before the convening in writing. If the director cannot attend the meeting, he/she can entrust an independent director to preside over the meeting;
- 3.2. The meeting notice and affairs of the Remuneration and Review Committee shall be arranged by the Board Secretary. The meeting notice shall include such information as time, place, period, agenda, topic and sending time;
- 3.3. The members of the Remuneration and Review Committee shall timely confirm and reply relevant messages (including but not limited to, whether to attend the meeting, agenda, etc.) after receiving the meeting notice in appropriate manners;
- 3.4. The meeting of the Remuneration and Review Committee shall be held with all the members present, and the resolutions of the meeting shall be passed with over half of the members present at the meeting;
- 3.5. The Remuneration and Review Committee shall consult the director and/or president about the suggestions about the remuneration of other executive directors. When necessary, the Remuneration and Review Committee can also seek independent professional advice;
- 3.6. When necessary, the directors and other senior managers of the Company may be invited to be present at the meeting as non-voting delegates by the Remuneration and Review Committee;
- 3.7. The members of the Remuneration and Review Committee shall attend the meeting personally (including personally present at the meeting or by teleconference). The one who cannot attend the meeting personally may submit a signed letter of authorization to entrust other members of the Remuneration and Review Committee to attend the meeting and exercise relevant authorities on behalf of him/her. The letter of authorization shall include such information as the name of the consignor, name of the consignee, scope of authorization, authorized permission and period of authorization;
- 3.8. If any member of the Remuneration and Review Committee is absent from the meeting for three times successively without due cause, it will be deemed as failure to perform the duties of a member of the Remuneration and Review Committee. The Board of Directors may adjust the members of the Remuneration and Review Committee according to relevant provisions in the terms of reference;
- 3.9. Every member of the Remuneration and Review Committee has one voting power;
- 3.10. The regular meetings of the Remuneration and Review Committee shall be held on the site, and the voting can be performed by raising hands or ballot; while the interim meetings can be held by teleconference or examining writing materials respectively;
- 3.11. The Remuneration and Review Committee shall keep meeting minutes, on which the members present at the meeting shall sign. The meeting minutes shall be kept by the Board Secretary; When discussing agenda items involving a member or their connected persons, the relevant member shall recuse themselves from voting. If a resolution cannot be formed due to such recusal, the proposal shall be submitted to the Board of Directors for deliberation with an explanation of the circumstances;

- 3.12. The Remuneration and Review Committee shall report back to the Board of Directors on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so;
- 3.13. At the invitation of the chairman of the Board, the director of the Remuneration and Review Committee, or a member or his/her authorized representative when the director of the Remuneration and Review Committee is absent, shall attend the annual general meeting of the Company and answer questions at the meeting;
- 3.14. According to Article 13.68 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Remuneration and Review Committee shall make comments on the service contracts approved by the shareholders, inform the shareholders whether certain clauses are fair and reasonable, put forward opinions on whether certain contracts conform to the overall interests of the issuer and the shareholders, and give advice on how the shareholders (excluding associated shareholders as well as shareholders with vital interest in such service contract and their contacts) to vote;
- 3.15. The Remuneration and Review Committee shall be provided with sufficient resources to perform its duties;
- 3.16. The Remuneration and Review Committee shall make its terms of reference available, explaining its role and the authority delegated to it by the Board of Directors by including them on the website of the Company and the website of the stock exchange where the shares of the Company are listed in accordance with relevant requirements of the listing rules of the place where the shares of the Company are listed.

#### 4. Supplementary Provisions

- 4.1. The terms of reference shall become effective and be implemented from the date of approval by the Board of Directors;
- 4.2. The terms of reference are subject to the interpretation, formulation and amendment by the Board of Directors;
- 4.3. Any matters not covered by these provisions shall be implemented in accordance with relevant laws and regulations of the State, listing rules of the place where the shares of the Company are listed and Articles of Association. Where there is a conflict between these Rules and future laws and regulations to be promulgated by the State, listing rules of the place where the shares of the Company are listed or Articles of Association as amended in accordance with legitimate procedures, these provisions shall be implemented in accordance with relevant laws and regulations of the State, listing rules of the place where the shares of the company and Articles of Association and corresponding amendments to these provisions must be submitted to the Board of the Directors for consideration and approval in a timely manner. If there is any inconformity among the listing rules of different listing places, the strictest shall prevail.

*# The original version of the Terms of Reference of the Remuneration and Review Committee ("**Rules**") is in Chinese, and the English version of the Rules is the translation from the Chinese original. Should there be any discrepancy between the Chinese and English version of the Rules, the Chinese version shall prevail.*

*\* For identification purpose only*